VZCZCXRO0306 PP RUEHFK DE RUEHKO #6231 2990407 ZNR UUUUU ZZH P 260407Z OCT 06 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 7803 RUEKJCS/SECDEF WASHDC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RUYNAAC/COMNAVFORJAPAN YOKOSUKA JA PRIORITY RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY RHHMHBA/COMPACFLT PEARL HARBOR HI//N541// PRIORITY RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// PRIORITY RUHBANB/OKINAWA FLD OFC US FORCES JAPAN CP BUTLER JA PRIORITY RHMFIUU/COMUSJAPAN YOKOTA AB JA PRIORITY INFO RUEHFK/AMCONSUL FUKUOKA 8594 RUEHOK/AMCONSUL OSAKA KOBE 1980 RUEHBJ/AMEMBASSY BEIJING 4675 RUEHMO/AMEMBASSY MOSCOW 1315 RUEHUL/AMEMBASSY SEOUL 0794 RUCNDT/USMISSION USUN NEW YORK 2368 RHEHAAA/NSC WASHDC

UNCLAS TOKYO 006231

SIPDIS

SIPDIS

STATE FOR I/RF, PA/PR/FPC/W, IIP/G/EA, EAP/PD, R/MR, EAP/J, EAP/P, PM; USTR FOR PUBLIC AFFAIRS OFFICE; TREASURY FOR OASIA/IMI; SECDEF FOR OASD/PA; CP BUTLER OKINAWA FOR AREA FIELD OFFICE; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR

E.O. 12958: N/A

TAGS: OIIP KMDR KPAO JA

SUBJECT: MEDIA REACTION Q NORTH KOREA - TOKYO

LEAD STORIES: Thursday morning's Tokyo Shimbun front-paged a speech Wednesday by JDA Director General Kyuma in Tokyo in which he indicated a plan to partially deploy PAC-3 and SM-3 missile defense systems by the end of December 2007, advancing the JDA's original deployment plan by three months.

11. "North Korean Nuclear Crisis: Limits to China's Influence" The liberal Asahi's columnist Yoichi Funabashi commented (10/26): "China sent three senior officials, including State Councilor Tang, to Pyongyang after North Korea's nuclear test. Following his return to Beijing, Tang told visiting Secretary of State Rice: 'Fortunately, our trip was not fruitless.'... North Korea apparently told Tang that it would refrain from conducting another nuclear test for the time being and that it would return to the six-party talks depending on the US reaction. Pyongyang has for the time being kept Beijing from losing face.... China tried to stop North Korea from launching ballistic missiles in July but failed to do so, exposing the limits of its influence over the DPRK.... China is gravely concerned that North Korea's open possession of nuclear weapons could set off a nuclear domino effect. At the same time, it is worried that applying too much pressure could cause its neighbor to lash out or collapse.... China will undoubtedly apply further pressure on Pyongyang to forgo another nuclear test and return to the six-party talks. Possible options include freezing financial dealings, halting oil supplies, blockading the border, and reevaluating the China-DPRK defense treaty. But the more pressure China applies on North Korea, the more Pyongyang will use its nuclear weapons as a political tool in its dealings with Beijing.